

GASCO DISTRIBUTION SYSTEMS, INC.

QUARTERLY REPORT OF GAS COST  
RECOVERY RATE CALCULATION

RECEIVED  
JUL 22 2009  
PUBLIC SERVICE  
COMMISSION

Date Filed:

July 20, 2009

---

2009-00292

Date Rates to be Effective:

August 1, 2009

---

Reporting Period is Period Ended:

April 30, 2009

---

RECEIVED  
JUL 22 2009  
FINANCIAL

## SCHEDULE I

GAS COST RECOVERY RATE SUMMARY

<u>Component</u>	<u>Unit</u>	<u>Amount</u>
Expected Gas Cost (EGC)	\$/Mcf	6.9871
+ Refund Adjustment (RA)	\$/Mcf	-
+ Actual Adjustment (AA)	\$/Mcf	1.5171
+ Balance Adjustment (BA)	\$/Mcf	(0.0687)
= Gas Cost Recovery Rate (GCR)	\$/Mcf	<u>8.4356</u>

GCR to be effective for service rendered from May 1, 2009 to July 31, 2009

A.	<u>'EXPECTED GAS COST CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Total Expected Gas Cost (Schedule II )	\$	190,825
	+ Sales for the 12 months ended January 31, 2009	Mcf	27,311
	= Expected Gas Cost (EGC)	\$/Mcf	<u>6.9871</u>
B.	<u>REFUND ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Supplier Refund Adjustment for Reporting Period (Ach. III)	\$/Mcf	-
	+ Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	+ Second Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	+ Third Previous Quarter Supplier Refund Adjustment	\$/Mcf	-
	= Refund Adjustment (RA)	\$/Mcf	<u>-</u>
C.	<u>ACTUAL ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Actual Adjustment for the Reporting Period (Schedule IV)	\$/Mcf	-0.5982
	+ Previous Quarter Reported Actual Adjustment	\$/Mcf	-0.4470
	+ Second Previous Quarter Reported Actual Adjustment	\$/Mcf	-0.3168
	+ Third Previous Quarter Reported Actual Adjustment	\$/Mcf	1.7136
	+/- Other cost adjustments	\$/Mcf	1.1655
	= Actual Adjustment (AA)	\$/Mcf	<u>1.5171</u>
			10 Years Ending 11/09
D.	<u>BALANCE ADJUSTMENT CALCULATION</u>	<u>Unit</u>	<u>Amount</u>
	Balance Adjustment for the Reporting Period (Schedule V)	\$/Mcf	(0.0687)
	+ Previous Quarter Reported Balance Adjustment	\$/Mcf	-
	+ Second Previous Quarter Reported Balance Adjustment	\$/Mcf	-
	+ Third Previous Quarter Reported Balance Adjustment	\$/Mcf	-
	= Balance Adjustment (BA)	\$/Mcf	<u>(0.0687)</u>

SCHEDULE II  
EXPECTED GAS COST

(1) Supplier	(2) Dth	(3) Btu Conversion Factor	(4) Actual Mcf	(5) ** Projected Rate	(6) (4) x (5) Cost	
The Titan Energy Group, Inc.	May-09	985	1.035	952	5.2230	4,972.30
The Titan Energy Group, Inc.	Jun-09	704	1.035	680	5.2230	3,551.64
The Titan Energy Group, Inc.	Jul-09	814	1.035	786	5.2230	4,105.28
The Titan Energy Group, Inc.	Aug-09	707	1.035	683	5.2230	3,567.31
The Titan Energy Group, Inc.	Sep-09	881	1.035	851	5.2230	4,444.77
The Titan Energy Group, Inc.	Oct-09	1,169	1.035	1,129	5.2230	5,896.77
The Titan Energy Group, Inc.	Nov-09	3,842	1.035	3,712	5.2230	19,387.78
The Titan Energy Group, Inc.	Dec-09	3,561	1.035	3,441	5.2230	17,972.34
The Titan Energy Group, Inc.	Jan-10	5,818	1.035	5,621	5.2230	29,358.48
The Titan Energy Group, Inc.	Feb-10	4,601	1.035	4,445	5.2230	23,216.24
The Titan Energy Group, Inc.	Mar-10	3,556	1.035	3,436	5.2230	17,946.23
The Titan Energy Group, Inc.	Apr-10	1,630	1.035	1,575	5.2230	8,226.23
Sub-total		28,268		27,311		\$142,645.35

Add in: Annual East Tennessee Demand Charge \$4,015.00 x 12 mo. \$48,180.00  
\$190,825.35

Line loss for the 12 months ended is \_\_\_\_\_ - or 0.00% based on purchases of 27,311  
Mcf and sales of 27,311 Mcf.

	Unit	Amount
Total Expected Cost of Purchase (6) (See attached schedule)	\$	\$190,825.35
/ MCF Purchases (4)	Mcf	27,311
= Average Expected Cost Per Mcf Purchased	\$/Mcf	6.9871
x Allowable Mcf purchases (must not exceed Mcf Sales / .95)	Mcf	28,748
= Total Expected Gas Cost (to Schedule IA.)	\$	200,868.79

\* Or adjusted pursuant to Gas Cost Adjustment Clause and explained herein.

\*\* Supplier's tariff sheets or notices are attached

SCHEDULE III  
SUPPLIER REFUND ADJUSTMENT

Details for the 3 months ended April 30, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
Total supplier refunds received	\$	-0-
+ Interest	\$	-0-
<u>= Refund Adjustment including interest</u>	\$	<u>-0-</u>
/ sales for 12 months ended April 30, 2009	Mcf	<u>27,311</u>
<u>= Supplier Refund Adjustment for the Reporting Period</u> (to Schedule IB.)	\$/Mcf	-0-

SCHEDULE IV  
ACTUAL ADJUSTMENT

For the 3 month period ended April 30, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Month 1 Feb-09</u>	<u>Month 2 Mar-09</u>	<u>Month 3 Apr-09</u>
Total Supply Volume Purchased	Mcf	4,445	3,436	1,575
Total Cost of Volume Purchased	\$	\$ 33,477.30	\$ 26,265.53	\$ 15,191.66
/ Total Sales (may not be less than 95% of supply volumes)	Mcf	4,445	3,436	1,575
<hr/> = Unit Cost of Gas	\$/Mcf	<hr/> 7.5315	<hr/> 7.6442	<hr/> 9.6455
- EGC in effect for month	\$/Mcf	<hr/> 9.6522	<hr/> 9.6522	<hr/> 9.6522
= Difference [ (Over-)/ Under-Recovery]	\$/Mcf	<hr/> -2.1207	<hr/> -2.0080	<hr/> -0.0067
x Actual Sales During Period	Mcf	<hr/> 4,445	<hr/> 3,436	<hr/> 1,575
= Monthly cost difference	\$	<hr/> \$ (9,426.73)	<hr/> \$ (6,899.43)	<hr/> \$ (10.56)

	<u>Unit</u>	<u>Amount</u>
Total cost difference (Month 1 + Month 2 + Month 3)	\$	-16,336.71
/ Sales for 12 months ended April 30, 2009.	Mcf	<hr/> 27,311
<hr/> = Actual Adjustment for the Reporting Period (to Schedule IC.)	\$/Mcf	(0.5982)

SCHEDULE V  
BALANCE ADJUSTMENT

For the 3 month period ended April 30, 2009

<u>Particulars</u>	<u>Unit</u>	<u>Amount</u>
(1) Total Cost Difference used to compute AA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the AA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the AA was in effect.	\$	
Equals: Balance Adjustment for the AA.	\$	<hr/>
(2) Total Supplier Refund Adjustment including interest used to compute RA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	
Less: Dollar amount resulting from the RA of _____ \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of _____ Mcf during the 12-month period the RA was in effect.	\$	
Equals: Balance Adjustment for the RA.	\$	<hr/>
(3) Total Balance Adjustment used to compute BA of the GCR effective four quarters prior to the effective date of the currently effective GCR.	\$	4469.71
Less: Dollar amount resulting from the BA of .2311 \$/Mcf as used to compute the GCR in effect four quarters prior to the effective date of the currently effective GCR times the sales of 27,577 Mcf during the 12-month period the BA was in effect.	\$	
Equals: Balance Adjustment for the BA.	\$	<hr/> 6373.04 <hr/> -1903.33
Total Balance Adjustment Amount (1) + (2) + (3)	\$	
/ Sales for 12 months ended <u>April 30, 2009</u> .	Mcf	27,724
<hr/> = Balance Adjustment for the Reporting Period (to Schedule ID.)	\$/Mcf	<hr/> -0.0687